



Subject: Presidential race and consumer sentiment
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October 21, 2016

Record numbers of consumers believe that Hillary Clinton will win the Presidency. Rather than estimating who are likely voters and which candidate they favor, the surveys asked a representative sample of adult Americans which candidate they expected to win the election. The primary objective was to investigate the potential impact of the election on their economic expectations. From the initial survey conducted in June to the latest October reading, Clinton was expected to win by ever-widening margins. The balance of opinion in Clinton's favor rose from +21 percentage point advantage for Clinton in the June-July surveys, to a +38 point advantage in August-September surveys, and a +47 percentage point advantage in October (see the table). Importantly, the shift toward Clinton was concentrated among Republicans and Independents as well as growing margins spanning across all income, age, and educational subgroups. Indeed, in all the subgroups listed below, the proportion who expected Trump to win reached a peak of just 39%—and that was among self-identified Republicans.

The survey asked identical questions about the presidential candidates before most of the elections since 1976. In every election, the candidate that was expected to win in the October survey actually won. Hillary Clinton's margin of victory was above all but Bill Clinton's +79 in his re-election bid and Bush's margin over Dukakis of +53. Reagan's initial victory over Ford had the smallest margin, of just +2 percentage points. Obama's two victories were expected by margins of +38 and +36. In addition to the question on the expected winner, consumers were asked which candidate's policies would be better for their personal finances and to boost economic growth. Despite the dominant expectation of a Clinton victory, consumers were as likely to think that Clinton as Trump would be better on these economic issues—a difference of 1 percentage point. Perhaps more significantly, the most common answer was that neither candidate would make much difference. The "no difference" response dominated nearly every income, age and education subgroup for the potential policy impacts on personal finances. For impacts on the overall economy, Clinton only dominated among those over age 50 or who had incomes in the top third. Consumers that expected a Clinton victory or who thought she would be better for their own finances or for the overall economy held much more favorable economic expectations. The Index of Consumer Expectations was significantly higher among those that favored Clinton rather than Trump. It would appear that those consumers who shifted from Trump to Clinton were more optimistic than those who remained Trump supporters. Indeed, the October readings among Trump supporters were near what would be recession lows. Once Clinton takes office, consumers may not view her policies as optimistically as when they were mainly comparing them to Trump's policies. Moreover, the new administration cannot simply ignore the significant economic disenchantment among the substantial number of Americans who now favor Trump.

	Who will be Elected									Who is Better for Your Personal Finance									Who is Better for the Economy								
	Clinton			Trump			Clinton			Trump			No Diff			Clinton			Trump			No Diff					
	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct	Jun	Aug	Oct			
All Households	58	67	71	37	29	24	25	28	29	26	29	28	48	43	42	31	34	33	30	32	32	36	33	34			
Expectation Index	84.5	86.5	83.7	74.8	69.4	58.9	94.0	100.1	98.2	67.7	66.1	56.3	79.7	78.8	75.7	96.7	100.2	98.7	70.0	69.0	57.2	74.5	72.6	75.2			
Party																											
Democrat	86	89	88	11	9	9	50	59	59	5	7	6	45	34	35	61	67	66	5	6	9	33	27	23			
Independent	52	66	67	41	29	26	19	20	23	22	25	30	57	54	47	25	29	25	29	27	31	44	43	43			
Republican	34	43	56	62	53	39	4	4	5	58	60	54	38	35	41	6	7	5	65	70	63	28	23	31			
Income																											
Bottom Third	51	69	63	40	26	31	22	28	29	19	22	24	57	49	44	26	35	32	26	26	30	46	38	36			
Middle Third	58	64	70	39	33	23	26	25	28	27	33	28	46	42	44	31	32	31	35	36	32	32	31	37			
Top Third	65	68	80	32	28	17	29	29	33	30	33	31	40	38	36	38	35	36	30	35	33	32	28	30			
Age																											
Under 35	56	70	77	38	26	19	23	30	30	18	27	18	59	43	50	31	41	35	22	24	20	44	35	44			
35 to 49	60	68	72	37	26	23	28	23	28	27	28	31	45	47	39	34	31	28	29	33	31	37	34	40			
50 to 64	59	66	68	34	30	26	27	28	29	30	31	31	42	40	40	31	31	33	35	36	37	32	32	30			
65 or older	54	63	67	40	33	26	22	28	30	28	28	31	48	43	38	30	35	35	34	34	39	34	31	23			
Education																											
High sch or less	50	61	59	44	36	37	19	20	24	24	31	33	56	48	42	21	24	21	31	39	38	46	36	40			
Some college	47	57	64	46	36	27	22	21	23	28	32	30	49	46	46	26	26	29	34	37	35	36	35	34			
College degree	69	75	81	27	21	15	31	35	36	25	26	24	44	39	40	40	44	40	27	26	28	32	29	31			

Note: Table entries are percentages of the group indicated in the left column. Percentages do not add to 100% since they do not include "Don't knows." The questions were: Regardless of how you intend to vote, who do you think will actually be elected president—(Donald Trump, the Republican, or Hillary Clinton, the Democrat / Hillary Clinton, the Democrat or Donald Trump, the Republican)? Looking ahead to the next two years or so, do you think economic conditions in the country as a whole would be better if (Trump/Clinton) were elected, would economic conditions be better if (Clinton/Trump) were elected, or wouldn't it make much difference? Now thinking about your (family's) financial situation over the next two years or so, do you think that you (and your family living there) would be better off financially if (Trump/Clinton) were elected, would you be better off financially if (Clinton/Trump) were elected, or wouldn't it make much difference? Cases: June - July = 1,048, August - September = 1,130, and October = 513. October interviewing was through Wednesday evening, but only a few interviews were conducted following the end of the Presidential debate.